



IRON ORE LIMITED

An NMDC Company

ASX Announcement
31 October 2019

About Legacy Iron Ore

Legacy Iron Ore Limited ("Legacy Iron" or the "Company") is a Western Australian based Company, focused on iron ore, base metals, tungsten and gold development and mineral discovery.

Legacy Iron's mission is to increase shareholder wealth through capital growth, created via the discovery, development and operation of profitable mining assets.

The Company was listed on the Australian Securities Exchange on 8 July 2008. Since then, Legacy Iron has had a number of iron ore, manganese and gold discoveries which are now undergoing drilling and resource definition.

Board

N. Bajindra Kumar, Non-Executive Chairman

Amitava Mukherjee, Non-Executive Director

Alok Kumar Mehta, Non-Executive Director

Devanathan Ramachandran, Non-Executive Director

Rakesh Gupta, Director and Chief Executive Officer

Ben Donovan, Company Secretary

Key Projects

Mt Bevan Iron Ore Project

South Laverton Gold Project

East Kimberley Gold, Base Metals and REE Project

Enquiries

Rakesh Gupta

Chief Executive Officer

Phone: +61 8 9421 2000

ASX Codes: LCY

LEVEL 6
200 ADELAIDE TERRACE
PERTH WA 6000

PO BOX 5768
ST GEORGES TERRACE WA 6831

Phone: +61 8 9421 2005
Fax: +61 8 9421 2001
Email: info@legacyiron.com.au
Web: www.legacyiron.com.au

ASX Market Announcements

ASX Limited

Via E Lodgement

EAST KIMBERLEY PROJECTS UPDATE

Highlights

Koongie Park:

- Field assessment of other prospects has shown encouragement for future follow-up work at Michael Angelo (gold prospect) and Angelo Valley (copper prospect).
- POW submitted to drill test the rare earth elements (REE) anomaly (1,000m x 300m size and rock chip samples with 0.1% Y and total REE of 0.24%) (ASX announcement of 26 June 2019).
- The Company plans to drill-test this target in the next drill campaign in Q3 2020.

Ruby Plains, Taylor Lookout and Sophie Downs:

- These tenements are part of the Company's East Kimberley Project within the highly prospective Halls Creek Orogen region and is prospective for base metals and tungsten with numerous occurrences of surface mineralisation (GSWA records).
- These tenements form part of the Company's strategy to expand exploration activities with a focus on tungsten.
- Recent field work to these tenements has confirmed the presence of Scheelite mineralisation (based on the visual assessment) on the surface in all three tenements.
- Legacy Iron plans to advance all projects through geophysics, in-field assessments and drilling.
- Newexco Pty Ltd has been engaged to assist with processing and interpretation the geophysical data sets.

Legacy Iron Ore Limited (**Legacy Iron** or the **Company**) is pleased to provide the following progress report on its exploration activities in the Kimberley region of Western Australia. The East Kimberley Project comprises Koongie Park, Taylor Lookout, Ruby Plains and Sophie Downs tenements.

East Kimberley Project

The East Kimberley Project is located in the Halls Creek area, 350 km south of Kununurra and is readily accessible via the Great Northern Highway. The project comprises the Koongie Park tenement and the newly granted Sophie Downs, Ruby Plains and Taylor Lookout tenements (Figure 1) with a total exploration footprint of 237 sq km.

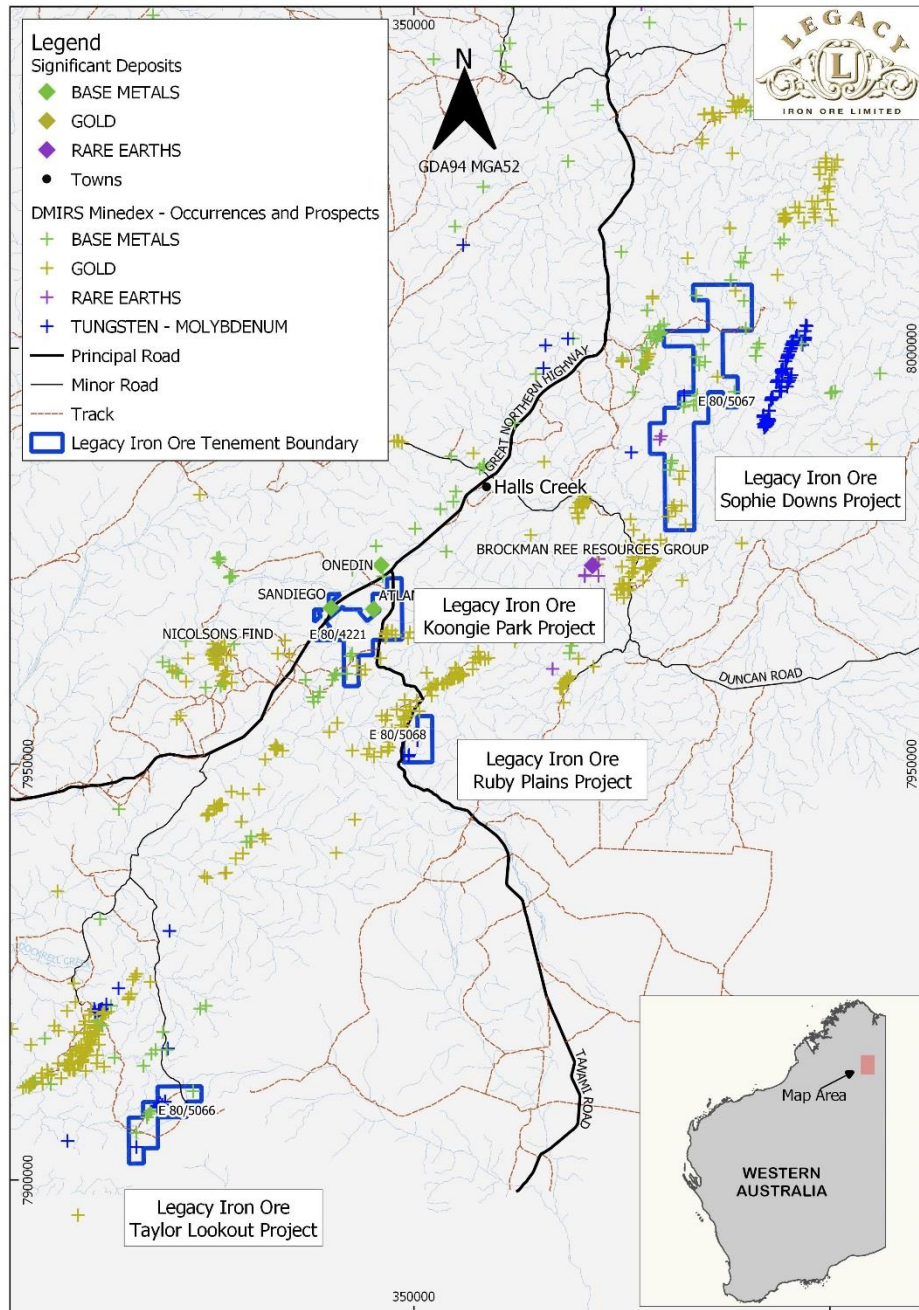


Figure 1 Location of Legacy Iron's tenements in the Kimberley

Regional Geology

The East Kimberley Project lies within the Lamboo Province of the Halls Creek Orogen region, which hosts significant resource projects including the Sandiego, Atlantis and Onedin base metals deposits

as well as the Nicholson's Gold Project (Pantoro) and the Brockman REE deposit (Hastings Technology Metals).

GSWA records also show numerous surface occurrences of tungsten mineralisation within the Taylor Lookout and Sophie Downs leases associated with potential skarn-type alteration which have not been systematically evaluated and explored.

Koongie Park Project

Legacy Iron holds exploration licence E80/4221 (Figure 2) that is contiguous with ground under exploration by Anglo Australian Resources Limited (AAR) at its Koongie Park VHMS base metals deposit. AAR has defined substantial base metal/gold/silver mineralisation in two deposits to date, with a total JORC resource (Indicated and Inferred) of 8Mt at 3.3% zinc, 1.2% copper, 0.3g/t gold and 23g/t silver. AAR has also recently outlined a shallow supergene high grade copper resource. The style of mineralisation (VHMS) is similar to that found at Sandfire Resources' Doolgunna and Monty discoveries and at the Teutonic Bore/Jaguar/Bentley deposits of Independence Group. This style of deposit is known worldwide to occur in clusters and often the early discoveries in these camps are not the largest.

Work completed by Legacy at Koongie Park revealed a number of base metals and rare earth elements (REE) anomalies mainly in the west of the Angelo Fault and gold targets (early stage targets) in the East of the Angelo Fault which requires follow up and drill testing (Figure 2 and 3).

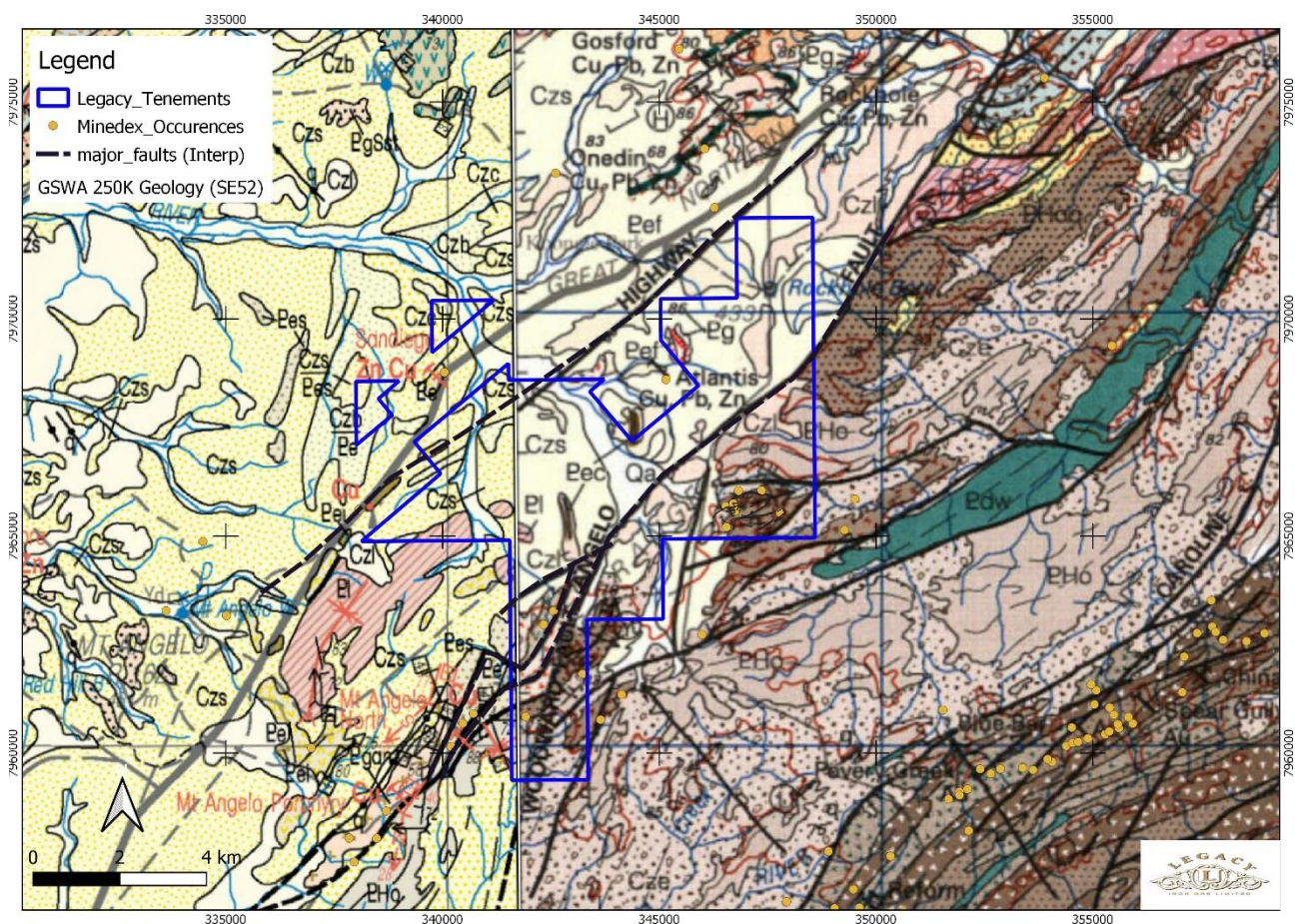


Figure 2 GSWA 250k geology and Minedex occurrences and prospects at Koongie Park

Based on the work done to date, REE 1, Hanging Tree East and Michel Angelo have been higher priority targets for follow up work at this stage.

REE 1 – This target/anomaly was initially identified based on the auger sampling completed by the Company. Infill soil sampling on a 50 mE x 40 mN grid spacing successfully confirmed a 1 km long x 300 m wide anomaly of REE (ASX announcement of 25 June 2019). This anomaly is particularly anomalous for heavy REE (HREE).

The area has limited outcrops, however samples of sub-cropping lithologies shown anomalous in REE values, with results of up to 0.1% Y and total REE of 0.24% (ASX announcement of 25 June 2019).

These results provide encouragement for further exploration in this area. The Company plans to drill test the anomaly in the next field season. A Program of Work (POW) has recently been submitted to DMIRS for approval to drill test the target.

Michel Anglo - The area remains prospective for shear-hosted gold mineralisation. The recent field traversing has identified the strike continuity (approx. 100m in N20 degree) of the quartz veins where first phase of the rock chip sampling identified gold values of 0.46 g/t from a highly altered quartz vein. Additional samples have been collected from the outcrops and submitted for geochemical analysis to BV lab to confirm the anomalism (Figure 4).

Another set of quartz veins (quartz vein box work within the calc silicates) located 300-400m away from the above discussed quartz vein has shown gold anomalism in the past, and can be traced for at least 30-50m in length. An additional six samples have been collected for geochemical analysis.

If these samples confirm the anomalism, it would provide the Company with encouragement for further work and possibly first pass drill testing.

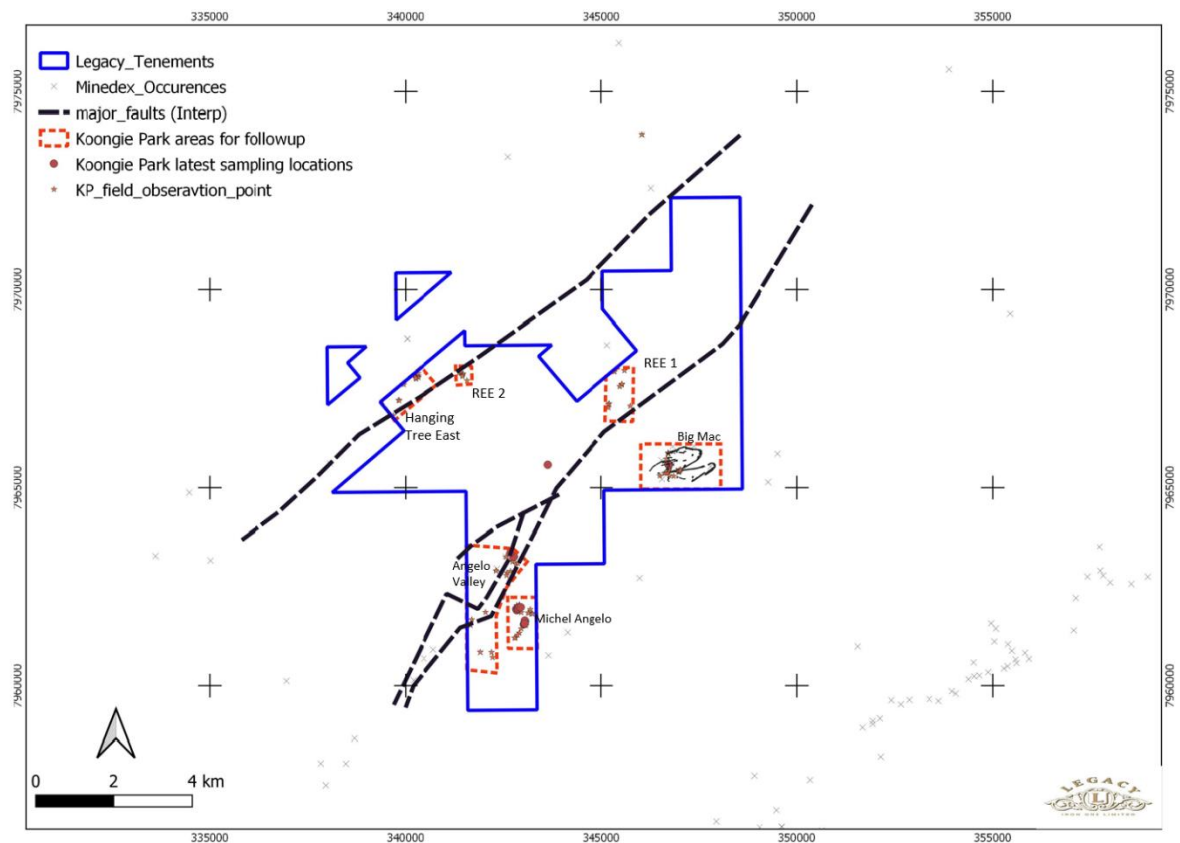


Figure 3: Koongie Park tenement with prospect names and latest sampling locations

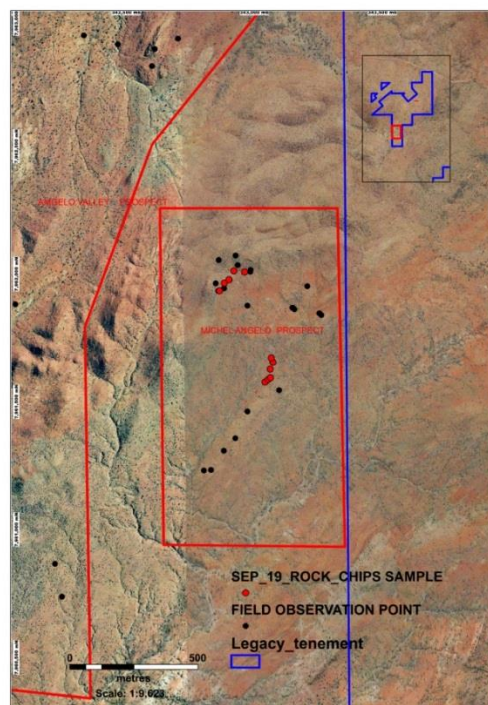


Figure 4: Sample location at Michel Angelo prospect

For the base metal targets in the tenement Company is currently working with Newexco to carry out the geophysical interpretation based on the information gathered to date.

Ruby Plains, Taylor Lookout and Sophie Downs

These tenements host prospective geology for base metals, REE and tungsten mineralisation.

Tungsten has remained relatively underexplored in this region, providing the Company with an opportunity to secure quality exploration leases with known tungsten mineralisation occurrences. A high-level overview of these tenements is provided below.

Ruby Plains

Ruby Plains tenement (E80/5068) is located along the Tanami Road, 30 km from Halls Creek. The geology is dominated by metavolcanics and meta sediments of the Biscay Formation (Figure 5).

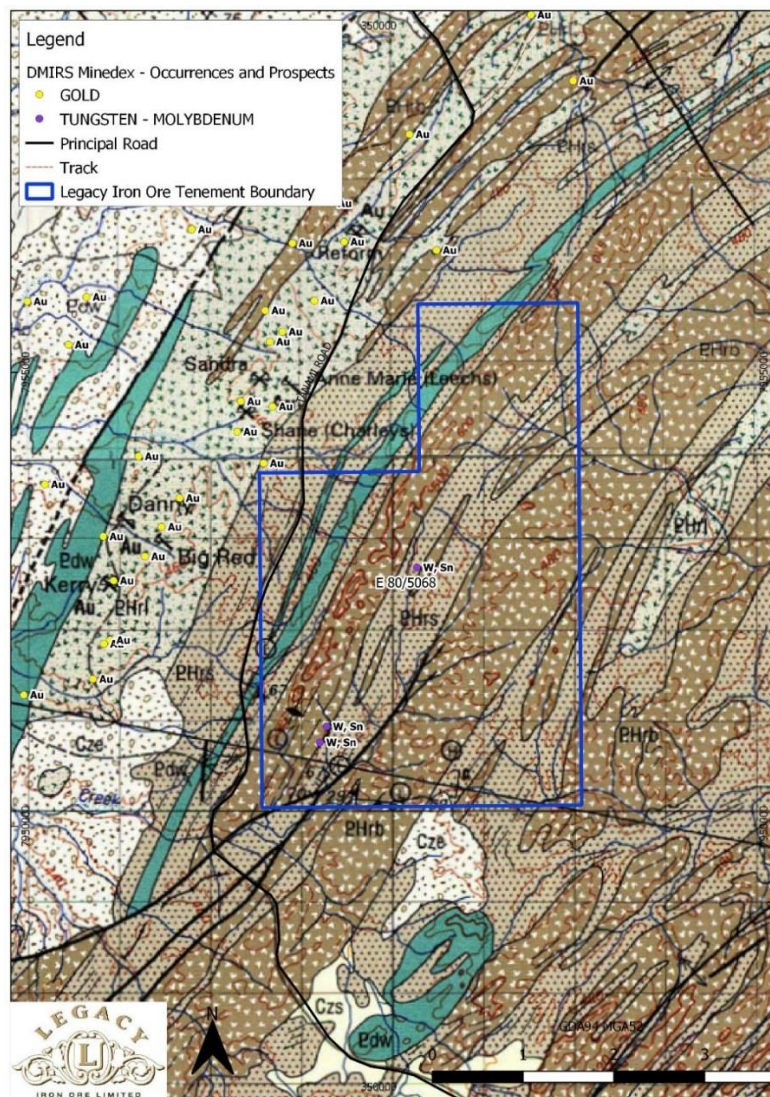
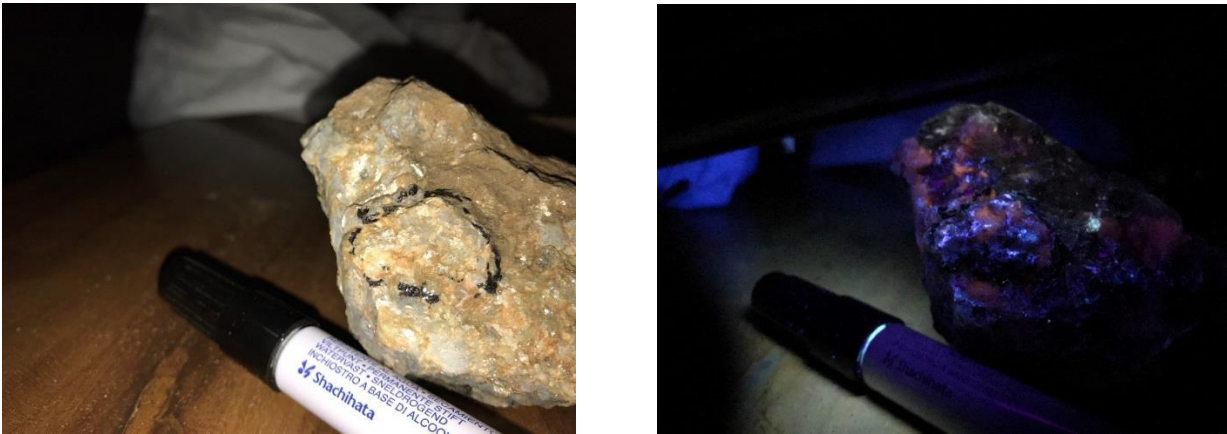


Figure 5: Ruby Plains geology and mineral occurrences. Ruby Plains is dominated by metasediments (brown) intruded by dolerites (green).

No systematic exploration or drill testing for the tungsten has been conducted since the 1980s. Based on the review of historical work, four broad target areas have been identified of where to focus the initial stage of exploration. Recent field traversing completed by the Company noted numerous

occurrences of the quartz carbonate veins with the presence of scheelite (refer below the pictures under UV light confirming the occurrences). These discrete scheelite occurrences (hosted by quartz carbonate veins) within mafic volcanics possibly relate to hydrothermal metamorphism. In total 14 samples have been collected and submitted to the lab for geochemical analysis.



Picture1: Ruby Plains rock sample showing presence of Scheelite (appears to be) under normal and UV light

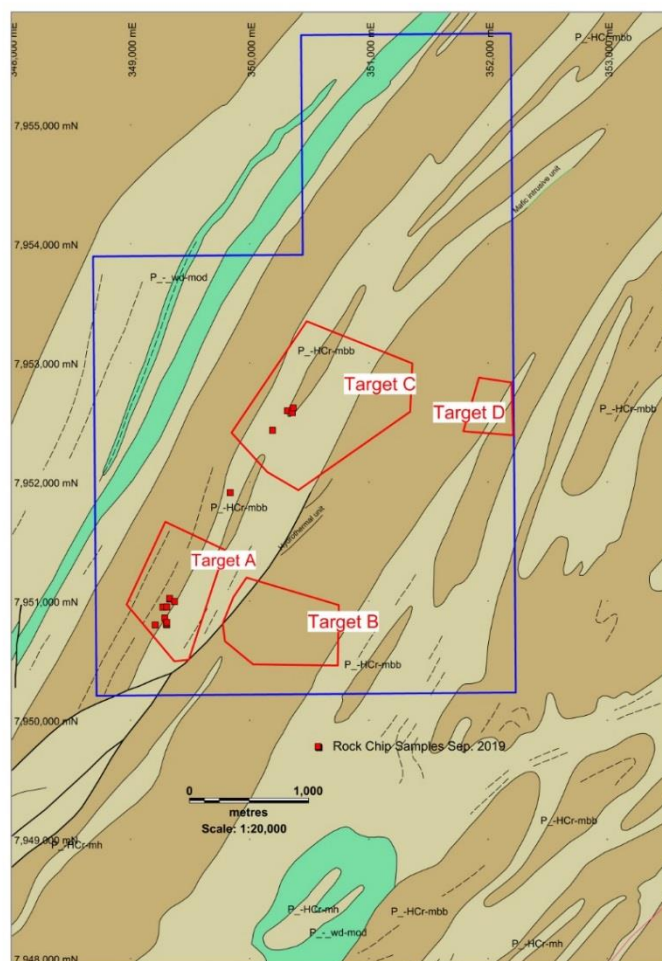


Figure 6: Ruby Plains 1000K GSWA Geology and latest Sample Locations

The Company is currently working to establish the continuity of these mineralized veins along strike as well as at depth.

Sophie Downs

Sophie Downs tenement (E80/5067) is located east of the Great Northern Highway, 20 km from Hall Creek. The lease is located to the east of a significant granitoid, the Sophie Downs Dome (pink in Figure 7) and is considered prospective for multiple styles of mineralisation.

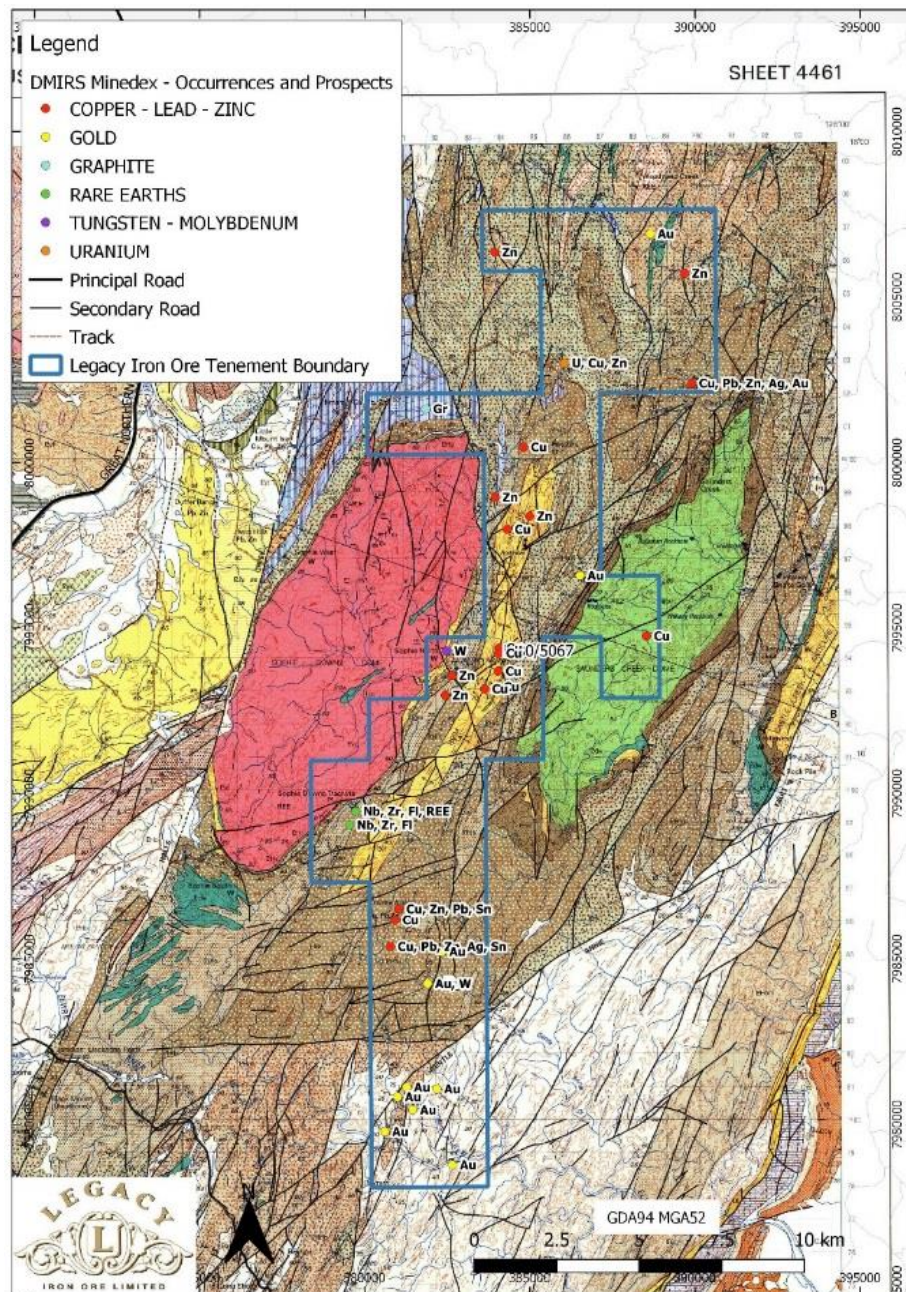


Figure 7 GSWA 100k Geology and minedex occurrences and prospects at Sophie Downs

This large tenement has not been systematically explored and has numerous recorded occurrences of base metals, REE and gold. Based on the detailed review of the historical work, the tenement is considered to be prospective for gold and tungsten mineralisation, as evidenced by significant stream sediment anomalies and associations between gold and scheelite in stockwork quartz veining (from

the review of historical work). Tungsten mineralisation has been identified within the lease and is interpreted to be related to the Sophie Downs granite. A REE anomaly which has undergone little systematic exploration in the past.

The review also suggests several low-order gold anomalies that have not been followed up and the source remains unidentified.

Priority target areas for follow up defined so far (Figure 8)–

- Goatyard Creek/Bertha Peak: Gold and associated tungsten in quartzite and felsic volcanics with no recorded follow-up since mid-1990s
- Gentle Annie: Prospective for gold and tungsten,
- Sophie Downs REE: Known anomaly with no systematic exploration
- Poverty Gully: Gold associated with tungsten an unexplored possibility

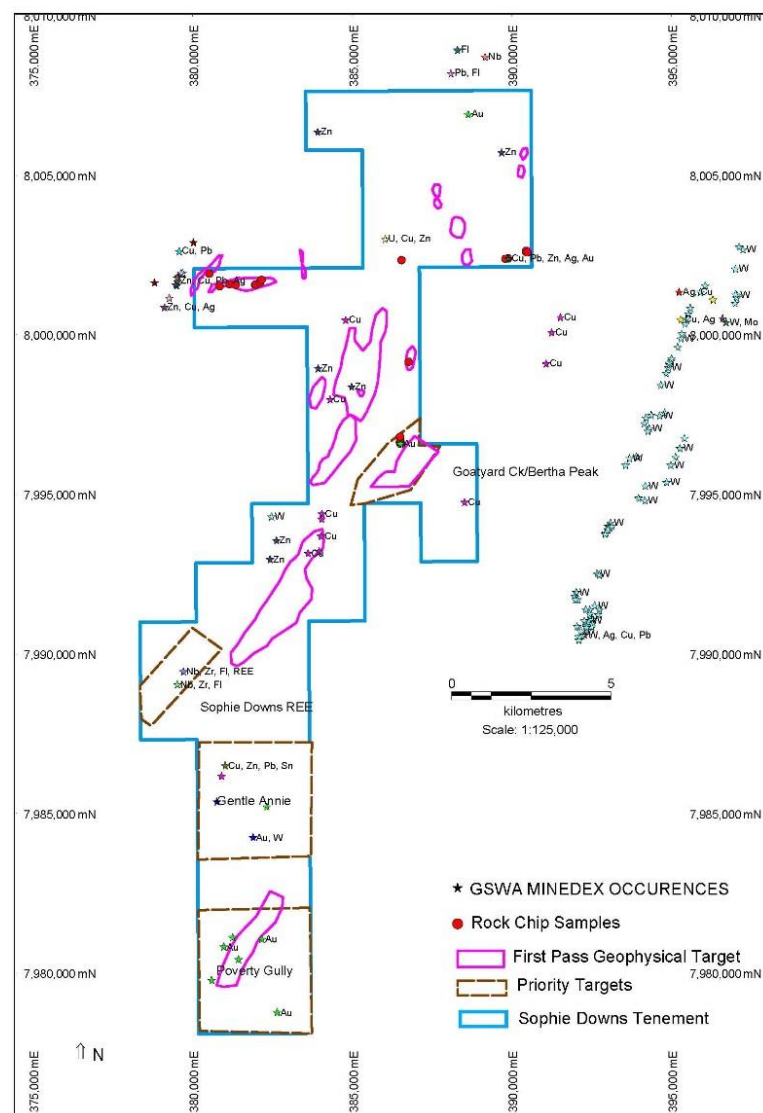


Figure 8: Priority target areas at Sophie Downs based on a desktop review along with sample locations

In recent few weeks, initial reconnaissance traversing for this project has been completed across areas where some of the early stage geophysical anomalies were identified in the northern most part of the tenement and at the Goatyard Creek/Bertha peak area in the tenement. A total of 14 rock chip samples have been collected in the project area, which confirmed the presence of the quartz-carbonate veins which possibly host the scheelite mineralisation in the Goatyard Creek area. First pass assessment of the samples under UV light shows the presence of Scheelite (geochemical analysis will finally confirm this).

Parts of the tenement has been flown by various geophysical surveys, and currently these data sets are being used to further refine the follow-up work in these target areas.

Taylor Lookout

Taylor Lookout tenement (E80/5066) is located south of the Great Northern Highway, 80 km southwest of Halls Creek. The dominant geological feature of the lease is the Taylor Lookout anticline which is a regionally significant fault that has thrust metavolcanics and granites onto sandstones of the Olypio Formation (Figure 9).

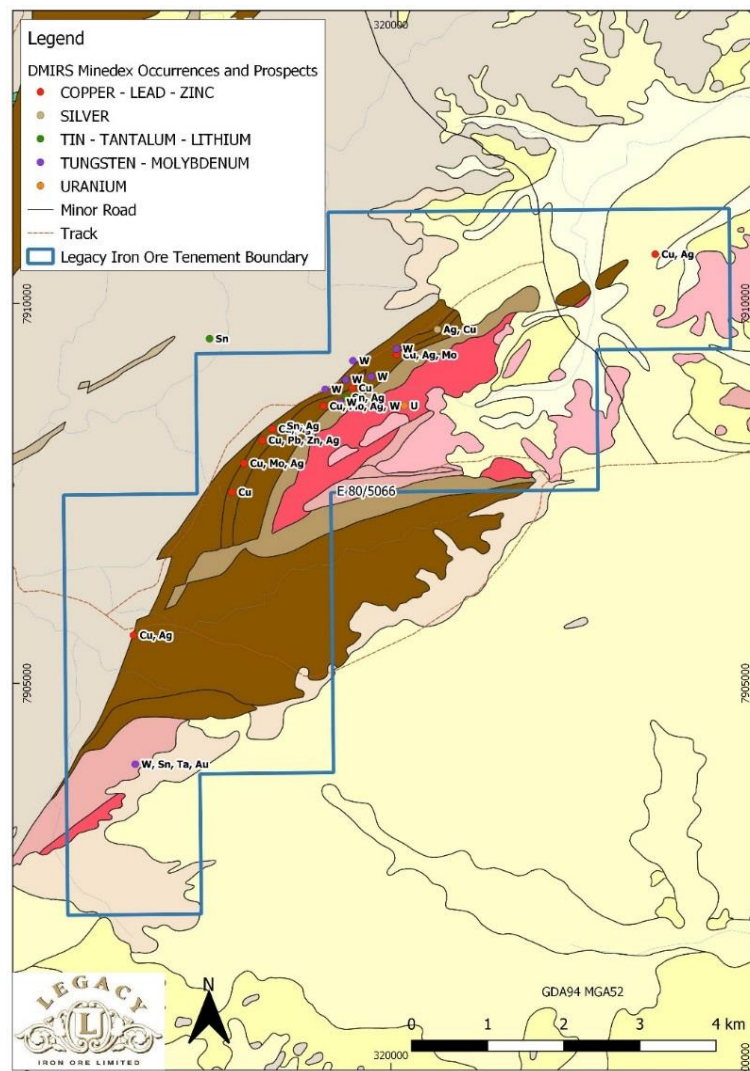


Figure 9: Taylor Lookout geology and mineral occurrences. Granites and metavolcanics are represented by pink colours, metasediments by brown polygons.

Previous exploration has identified scheelite at surface grading up to 2%W within calcareous metasediments, supporting the potential for skarn-hosted mineralisation. There has been no significant drill-testing of these anomalies to date. In addition, a number of other surface anomalies have been identified, including for copper and gold, which require more detailed follow-up.

Based on the desktop work completed in the previous quarter, two broad target areas have been identified as priorities for follow-up exploration (Figure 10) (and ASX announcement dated 31 July 2019). These targets are considered prospective for Cu-W mineralisation.

- Northern limb of the Taylor Lookout Anticline: Skarn mineralogy present at surface – Numerous Cu, W, Mo occurrences
- Frog Creek: Skarn (and stratabound tungsten mineralisation) mapped associated with a pegmatite that coincides with a magnetic anomaly and structures

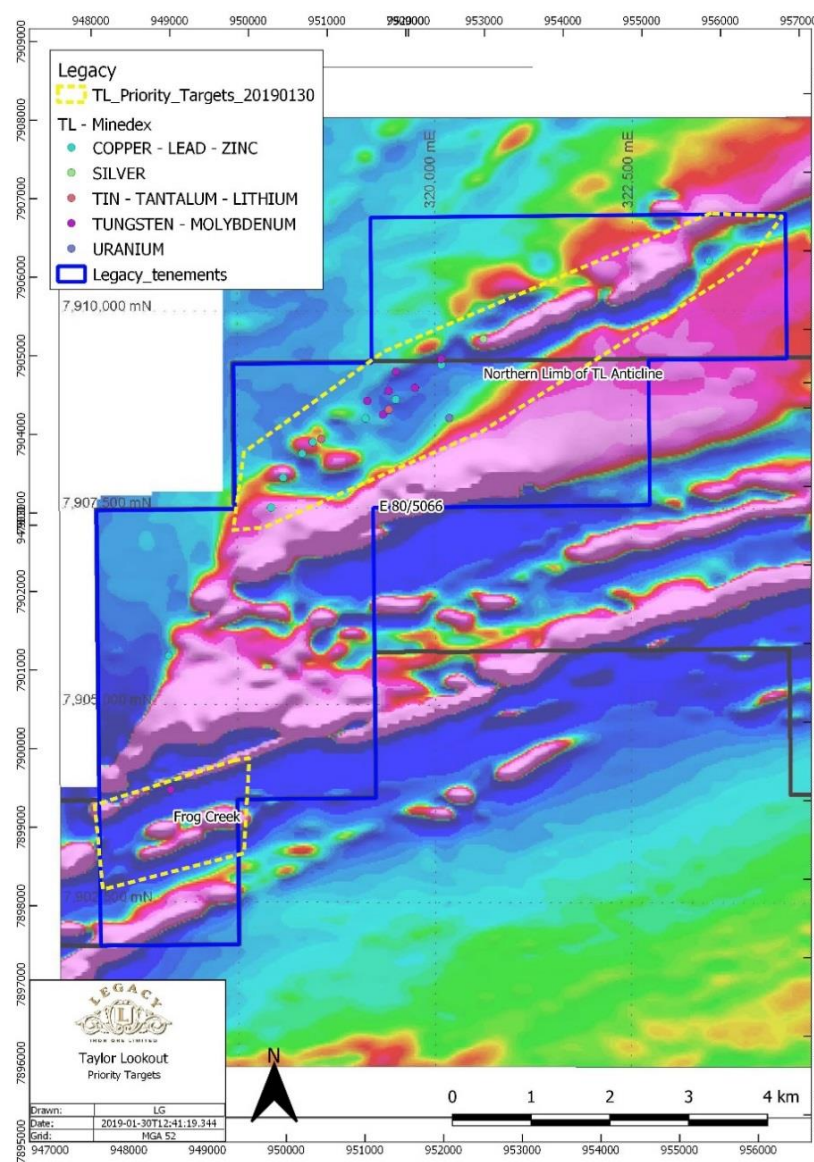


Figure 10: Priority areas for exploration at Taylor Lookout

The field traversing completed recently, in the parts of the northern limb target, has confirmed the presence of the Skarn lithologies along with Scheelite and copper (Malachite) mineralisation. In total, seven rock chip sample have been collected from the prospective units for a detailed geochemical analysis (Figure 11). Presence of the scheelite (appears to be) has been verified under UV lamping (refer picture below).



Picture 2: Taylor Lookout rock sample showing presence of Scheelite (most likely) under normal and UV light

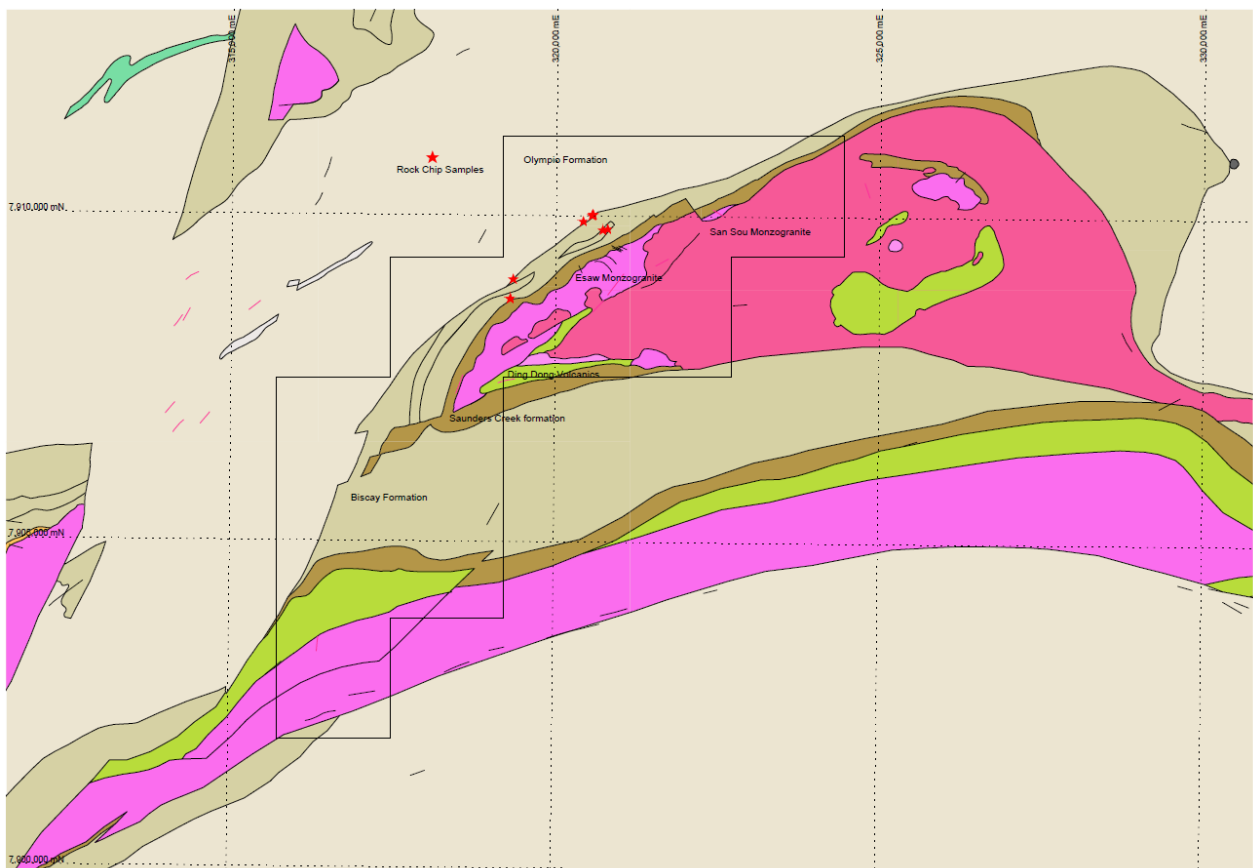


Figure 11: Geological Sample Locations on 100K GSWA Geology

Next Steps

The Company plans to systematically explore these tenements through geophysical and geochemical programs in the next year and mature the target areas for drill testing in the newly granted tenements and drill test REE anomaly at Koongie Park.

Yours faithfully,

Rakesh Gupta

Chief Executive Officer

The information in this report that relates to Exploration Results is based on information compiled by Bhupendra Dashora who a member of AusIMM and employee of Legacy Iron Ore Limited. Mr. Dashora has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Dashora consents to the inclusion in this report of the matters based on his information in the form and the context in which it appears.

